

**STATEMENT OF JOSEPH J. GREEN  
on behalf of the Specialty Steel Industry of North America  
and Steel Manufacturers Association**

**EPA PUBLIC MEETING  
IRON & STEEL EFFLUENT LIMITATION GUIDELINES  
FEBRUARY 20, 2001**

Good morning. My name is Joseph Green of Collier Shannon Scott, PLLC, and I am here on behalf of the Specialty Steel Industry of North America (SSINA) and the Steel Manufacturers Association (SMA) to provide a few general comments on the proposed Iron & Steel industry effluent limitation guidelines (ELGs).

First off, I would say that SSINA and SMA fully support the statement by Mr. Szuhay on behalf of AISI. After repeated attempts over the past several years to engage the Agency in a serious dialogue regarding the need for -- and, if necessary, technical aspects of -- revised ELGs for the industry, we are disappointed to find ourselves confronting a situation we had hoped to avoid: facing a flawed proposal that significantly overstates its benefits and dramatically understates its costs.

We are extremely concerned by the unprecedentedly short period for comment -- less than 90 days -- afforded by EPA with regard to the proposal. This is especially troublesome given that vital background information has not been provided in the docket for review and comment despite repeated requests for its disclosure.

**Joseph J. Green  
Collier Shannon Scott, PLLC  
(202)342-8849**

Of the data withheld from comment, perhaps most significant is the Agency's analysis of the production-normalized flows (PNFs) used to develop the proposed limits. Understanding how the PNFs were developed and the type of facilities upon which they are based is critical to understanding and providing comment on the proposed ELGs. Since at least January of last year, we have sought release of this information -- or at least a dialogue with EPA regarding the setting of appropriate PNFs -- only to find that even today that information is not available.

A few further comments on the PNFs are warranted:

- First, as EPA requests comments on in the proposal, water flows are intrinsically related to product quality, especially with respect to the Steel Finishing subcategory. To accurately reflect water use needs in the industry, the PNFs must account for a variety of factors, including product type, the size of the facility, and the production process employed. For the proposed PNFs, none of this information is provided in the docket or appears to have been considered by EPA.
- Second, there appears to be no attempt to define BAT in relation to both an achievable treatment concentration and water flow rate. No information is provided in the docket that explains how a facility meeting the model PNFs can also meet the model BAT effluent concentrations.

This latter point may explain, at least in part, why even facilities that have treatment technology that goes beyond the prescribed BAT -- as well as well-operated plants

employing the BAT technology -- cannot meet many of the proposed limits on a consistent basis.

Of course, there appears to be another significant reason why many of even EPA's BAT model facilities cannot meet the proposed limits consistently -- despite the fact that the BAT technology has not changed, EPA assumes that more stringent limits can be achieved. EPA reaches this conclusion primarily by cherry-picking its BAT concentrations from a largely unrepresentative set of treatment data. Most, if not all, facilities in the industry employ the BAT technology and operate it to remove the maximum amount of pollutants possible. If EPA had used a broader set of data, or more accurately characterized the numerous factors that affect wastewater characteristics in the industry, it would have realized that issues such as product type and quality, plant size and age, and type of production process vary in significant ways across facilities in a subcategory. As a result, achievable treatment levels may vary considerably, particularly in the Steel Finishing subcategory.

The proposed limits instead reflect treatment levels that are achievable only under a certain limited set of conditions.

Moreover, the proposed limits are the product of arbitrary and questionable statistical calculations. For example, some of the Steel Finishing limits reflect the average performance of two facilities employing the model BAT technology. Hence, one of the two model facilities CANNOT meet the treatment concentrations used to support the mass-based limits! Further, the amount of data relied on by EPA -- in many cases no more than 4 or 5 data points obtained during one sample episode -- is simply inadequate to justify the proposed limits.

SSINA and SMA also are extremely concerned by the economic component of the proposed rule. As noted earlier, EPA's economic impact analysis is based on outdated data that does not reflect the current distressed economic state of the industry. This analysis must be redone.

Further, the cost of achieving compliance with the proposed rule is significantly higher than EPA assumes. We will provide comments to the Agency showing that annualized compliance costs are at least double what the Agency assumes.

In short, when the costs of the proposal are compared to its benefits and considered in light of the current economic state of the industry and existing water quality and TMDL programs, EPA should recognize that the revised ELGs are not necessary and represent a misallocation of industry pollution control resources.

One further point -- EPA claims that compliance with the revised ELG limits must be immediate upon incorporation into the next NPDES permit. This leaves steel facilities in the untenable position of having to design and install a treatment system BEFORE they even know what limits they will have to meet! The Agency must afford a reasonable period of time to achieve compliance after issuance of a permit incorporating the revised ELG.

While we recognize that the Agency is facing an April 2002 court-ordered deadline to finalize this rule, it is imperative that EPA afford affected parties a full and fair opportunity to comment. That opportunity has not yet been provided. Nevertheless, we are proceeding to develop comments on the limited record that has been made available and stand willing to discuss our concerns with the Agency at an appropriate time.